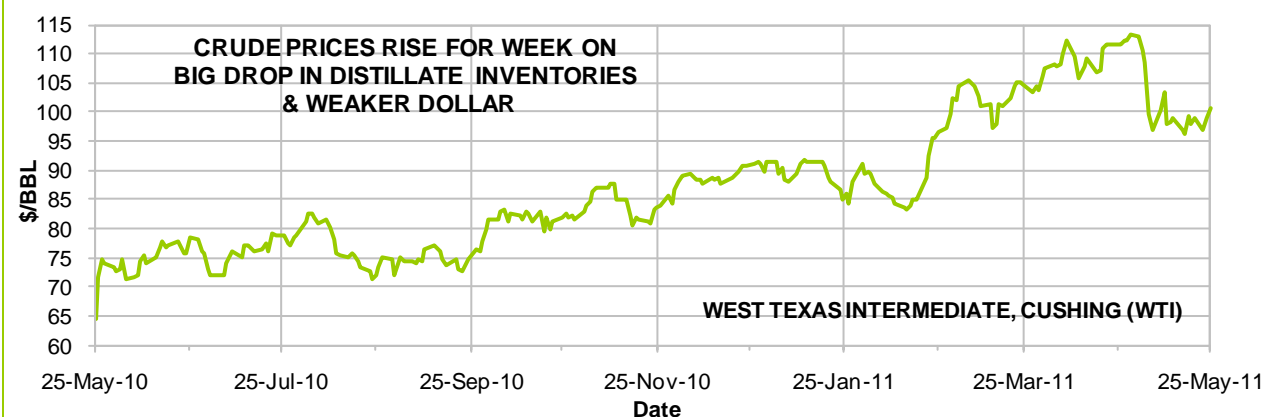


Crude Oil



Crude oil inventories grew unexpectedly by 0.6 million barrels this past week. This was in sharp contrast to the expected decline of 1.9 million and the 5-year average decline of 2.2 million. Inventories have worsened to 1.7% above last year but have improved to 7.0% above the 5-year average. Inventories are at their second highest level ever for this date.

Although inventory reports were mixed, a weaker dollar, a sharp drop in distillate inventories, and more bullish forecasts for commodities sent prices higher this week. Futures and spot prices rose by \$1.56 and \$1.33 for the week and by \$3.44 and \$2.97 for the past 2 weeks. They had fallen by \$14 over the previous 2 week period. Futures prices settled at \$102.70, \$29.96 (41.2%) higher than a year ago. Spot prices rose to \$100.73, \$36.40 (56.6%) higher than last year. Prices are about \$44 (30%) below their 2008 peaks.



Natural gas



Natural gas inventories grew by 105 BCF this past week, the second highest ever for this time period. This was about 10% higher than both the expected 94 BCF gain and the 5-year average gain of 96 BCF. With a stock injection of 100 BCF for this time period last year, this week's 2,024 BCF inventory level improved to 10.2% below last year's record high level and to 1.3% below the 5-year average. Cumulative injections this year are running 26.2% below last year and 9.3% below the 5-year average.

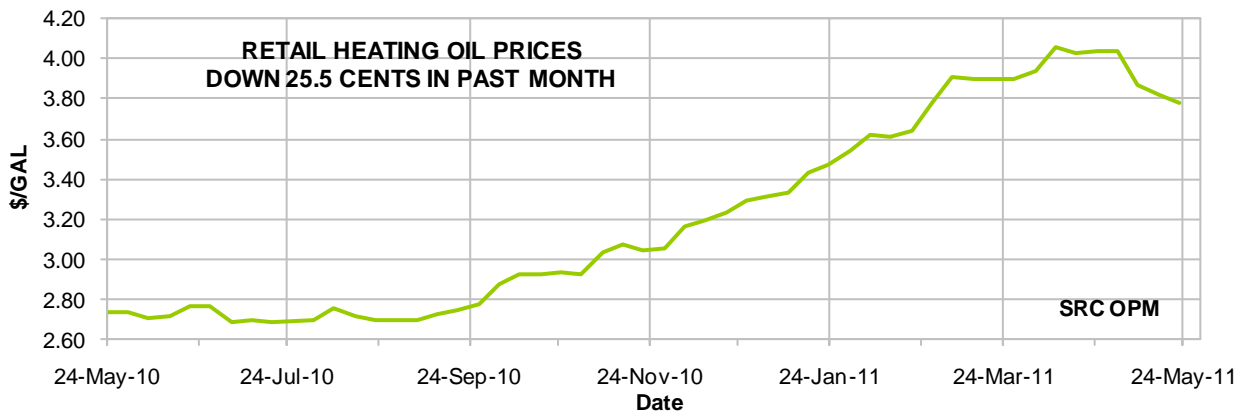
Prices rose this week from increased weather related demand. Futures prices were up 13 cents and spot prices rose by 20 cents. Futures settled at \$4.710, only 0.4 cents (0.1%) lower than a year ago but 64.7% below their 2008 peak. Spot prices settled at \$4.360 per million BTU, 28.0 cents (6.9%) higher than a year ago. They are 67.2% below their 2008 peak. According to census data, 31% of dwelling units in Connecticut heat with natural gas.





Inventories plummeted by 2.0 million barrels this past week as increases in production were offset by a decline in imports and a sharp increase in demand. The 5-year average is a gain of 0.8 million and expectations were for a gain of 0.5 million. Inventories are at their third highest level ever for this date. At 9.0% above the five-year average they trail only 2009 and 2010.

Futures prices rose 6.9 cents this week and settled at \$3.042/gal, \$1.061 (53.6%) above last year but \$1.153 (27.5%) below 2008's peak. Spot prices rose by 9.0 cents. They settled at \$2.968/gal, \$1.092 (58.2%) above last year but \$1.111 (27.2%) below the 2008 peak. Retail prices fell by 4.3 cents this week and by 25.5 cents over the past 4 weeks. Prices are now at \$3.780/gal, \$1.042 (38.0%) above a year ago. Prices are \$0.987 (20.7%) below their 2008 peak. The highest price in this week's survey was \$4.399 and the lowest was \$3.249. According to census data, 49.1% of dwelling units in Connecticut heat with oil.



Connecticut Regional Heating Oil Prices

	FAIRFIELD			HARTFORD			NEW LONDON		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
24-May-10	2.903	3.399	2.340	2.694	3.199	2.299	2.778	3.399	2.450
9-May-11	3.966	4.549	3.540	3.904	4.399	3.449	3.728	4.040	3.380
16-May-11	3.936	4.499	3.540	3.864	4.399	3.299	3.670	3.850	3.370
23-May-11	3.865	4.399	3.440	3.820	4.399	3.249	3.631	3.790	3.300
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
24-May-10	2.665	2.769	2.549	2.726	2.999	2.399	2.661	2.849	2.539
9-May-11	3.851	3.989	3.599	3.941	4.099	3.690	3.751	3.899	3.539
16-May-11	3.781	3.849	3.659	3.869	3.999	3.540	3.736	3.899	3.589
23-May-11	3.721	3.799	3.629	3.867	3.999	3.540	3.714	3.899	3.509
	NEW HAVEN			OPM conducts a weekly survey of retail heating oil prices in Connecticut. These figures reference the most recent results of that survey for the reporting week beginning May 23, 2011. Figures reflect per gallon prices without discount.					
	AVG	HIGH	LOW						
24-May-10	2.689	2.899	2.399						
9-May-11	3.808	4.199	3.359						
16-May-11	3.775	4.099	3.329						
23-May-11	3.729	4.029	3.309						

For more information, see www.ct.gov/OPM > Energy Management > Energy Price and Supply Information

Propane



Inventories rose by 1.1 million barrels this week as increases in production offset an increase in demand and a fall in imports. This week's inventory growth is slightly less than the 5-year average weekly gain of 1.2 million barrels but it is more than five times last year's gain of 0.2 million. Inventories have improved to 20.4% less than last year and 19.0% below the 5-year average.

Spot propane prices fell by 3.8 cents/gal this past week and by 13.3 cents since the beginning on May. At \$1.487 per gallon, spot prices are 50.6 cents (51.6%) higher than a year ago but they are 24.9% lower than their peak 2008 price. The usual reporting of Connecticut retail propane heating prices has been discontinued for the season but will resume in October. According to census data, propane is used to heat 2.7% of homes in Connecticut.



Gasoline



With increased production (refineries are ending maintenance downtimes), a sharp gain in imports, and a decline in demand, inventories grew by 3.8 million barrels this week. A gain of only 0.5 million had been expected and the 5-year average is a 0.1 million decline. Inventories levels have improved to 5.4% below last year and to 1.0% above the 5-year average.

After falling by 35 and 47 cents/gal over the previous 3 weeks, futures and spot prices rose by 5.9 and 7.5 cents this past week. Futures are at \$2.875, \$0.981 (51.8%) higher than last year but \$0.736 (20.4%) below their 2008 peak. Spot prices rose to \$2.932/gal. They are \$1.074 (57.8%) higher than a year ago. Spot prices are 14.1% (\$0.480) below their 2008 peak. Connecticut retail prices fell 8.0 cents this week and by 9.5 cents over 2 weeks. At \$4.173, prices are \$1.181 (39.5%) higher than a year ago. They have risen by \$1.281 in the past 6 months. They are only 21.7 cents (4.9%) cents below their 2008 all time high of \$4.390.

